

REPORT DIGEST

DEPARTMENT OF HUMAN SERVICES

FINANCIAL AUDIT

For the Year Ended:
June 30, 1998

Release Date:



State of Illinois
Office of the Auditor General

WILLIAM G. HOLLAND
AUDITOR GENERAL

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INTRODUCTION

This audit covers the initial year of operations for the Department of Human Services. Legislation consolidated the Department of Alcoholism and Substance Abuse, the Department of Mental Health and Developmental Disabilities, and the Department of Rehabilitation Services into the Department of Human Services. In addition, certain client based programs formerly administered by the Department of Children and Family Services, the Department of Public Aid, and the Department of Public Health were also transferred to the Department.

We performed a financial audit of the Department of Human Services for the year ended June 30, 1998. A two year compliance audit and a one year financial audit will be performed for the period ended June 30, 1999. A special report on the status of the prior audit recommendations for the agencies consolidated into the Department is being presented under separate cover.

AUDITORS' OPINION

Our auditors stated the Department's financial statements at June 30, 1998 are fairly presented except for the effects of such adjustments, if any, as might have been determined to be necessary had they been able to examine evidence regarding year 2000 disclosures.

WILLIAM G. HOLLAND, Auditor General

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SPECIAL ASSISTANT AUDITORS

Sikich, Gardner & Co, LLP were our special assistant auditors for this audit.

{Selected financial information is summarized on the next page.}

DEPARTMENT OF HUMAN SERVICES
FINANCIAL AUDIT
For The Year Ended June 30, 1998

FINANCIAL INFORMATION (in thousands)	1998
REVENUES(all funds, accrual basis)	
Federal Government.....	\$2,391,127
Licenses and Fees.....	159
Interest and other investment income.....	107
Other revenue.....	98,750
Refunds.....	(86,308)
Total Revenue.....	<u>\$2,403,835</u>
EXPENDITURES(all funds, accrual basis)	
Health and Social Services.....	\$2,893,844
Social Assistance.....	1,962,778
Debt Services.....	1,095
Capital Outlays.....	<u>27,302</u>
Total Expenditures.....	<u>\$4,885,019</u>
OTHER SOURCES (USES) OF FINANCIAL RESOURCES(all funds, accrual basis)	
Appropriations from State resources.....	\$3,787,291
Operating transfers in.....	33,035
Operating transfers out.....	(41,689)
Other.....	<u>(943,946)</u>
Net other sources of financial resources.	<u>\$2,834,691</u>

SELECTED ACCOUNT BALANCES (all funds, in thousands)	1998
Cash and cash equivalents.....	\$63,280
Receivables, net.....	\$172,765
Due from other State of Illinois funds.....	\$31,786
Inventories.....	\$19,011
General fixed assets.....	\$798,028
Unexpended appropriation.....	\$299,476
Liabilities.....	\$553,766
Fund balance, reserved.....	\$835,681
Fund balance, unreserved/undesignated.....	\$117,657

SECRETARY
During Audit Period: Howard A. Peters III Currently: Howard A. Peters III

